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and YOURLOCALMERCHANT.COM, INC.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

**EGUMBALL, INC., a California
Corporation,**

Plaintiff;

VS.

RUSSELL WALLACE, an individual;
YOURLOCALMERCHANT.COM
INC., a California Corporation; and
DOES 1 through 50 inclusive;

Defendants.

Case No.: CV09-9389 ODW (MLGx)

[Assigned to the Hon. Otis D. Wright II,
Department 11]

STIPULATED JUDGMENT

Filed: December 22, 2009
Trial: None

1 The parties hereby stipulate as follows:

2 1. On or about December 22, 2009, Egumball, Inc. (“Egumball”) filed this
3 lawsuit in the United States District Court, Central District of California, for
4 numerous causes of action (case number CV 09-9389 ODW) against
5 YourLocalMerchant.com, Inc. (“YLM”) and Russell Wallace alleging, inter alia, that
6 Russell Wallace (“Wallace”) and YLM infringed on the protected trade dress of
7 Egumball’s websites, and used other unfair and illegal business practices.

8 2. An actual dispute exists between Egumball and third party Tony Redman
9 (“Redman”), although Redman is not a party to this lawsuit. Redman, nevertheless,
10 wishes to settle his actual dispute with Egumball, and thus, he hereby submits to the
11 jurisdiction of this Court for the purposes of this Stipulated Judgment.

12 3. Egumball, Wallace, Redman, and YLM are collectively referenced as the
13 “Parties.”

14 4. The Parties have agreed to settle this matter under a separately executed
15 Settlement Agreement, the content of which may be referenced at any time to interpret
16 this Judgment. The Settlement Agreement shall be separately filed.

17 5. On or about April 12, 2010, the Court granted Egumball’s Motion for
18 Preliminary Injunction (Docket No. 15). The Court issued a preliminary injunction
19 enjoining defendants YLM and Wallace from infringing on Egumball’s websites and
20 from conducting certain other activities. The Parties now wish to convert the
21 preliminary injunction into a permanent injunction as set forth below.

22 6. A judgment shall be entered in favor of Egumball as follows:
23 Wallace, Redman, and YLM, including all of their employees or agents, are hereby
24 permanently enjoined from any of the following:

25 a. Posting or displaying any sequence of four or more consecutive
26 words that match any string of four or more consecutive words on any of plaintiff’s
27 websites including Egumball.com and MyServiceProfile.com.

28 b. Copying or reproducing any of the source codes from

1 Egumball.com or MyServiceProfile.com.

2 c. Utilizing any other aspects of defendants' websites that copy or
3 replicate the look and feel of plaintiff's websites.

4 d. Infringing upon the look and feel of any changes or additions to
5 Egumball, Inc.'s websites in the future.

6 e. Posting any online consumer reviews or other similar online
7 content that purports be from or have been written or prepared by an independent
8 consumer, as opposed to an agent acting of behalf of defendants.

9 7. Further, defendants will, within thirty days of the date of this Judgment,
10 delete, alter, or rebuild the "terms" pages of its websites, including
11 <http://29prime.com/demo/Terms/> and <http://www.yourlocalmerchant.com/terms.html>
12 to bring them in compliance with the preliminary injunction, and will change its credit
13 card logos to differentiate them from Egumball's.

14 8. Wallace, Redman, and YLM further agree not to solicit any current
15 Egumball client that is listed on plaintiff's directory at
16 <http://www.myserviceprofile.com/>. The term "solicit," for purposes of this Stipulated
17 Judgment, means to intentionally contact, in any way, whether directly, or through an
18 agent, employee, or related entity, any of the Egumball's clients, whether in person,
19 by telephone, facsimile, e-mail, U.S. Mail, or any other form of written or verbal
20 communication, other than advertisements to the general public. Wallace, Redman,
21 and YLM agree to take responsibility for and ensure that their agents and employees
22 are trained with respect to the terms of this paragraph. If accidental contact occurs
23 through "robo calls" or mass e-mail marketing, Wallace, Redman, and YLM will not
24 further solicit the Egumball client or enter into a contract with the client.

25 9. The Parties hereby stipulate that this Stipulated Judgment shall be
26 binding as against all defendants, plus Tony Redman, and shall further be binding
27 against any other entities, now in existence or to be formed in the future, owned by
28 Russell Wallace or Tony Redman which compete against Egumball in any way,

1 including 29 Prime.

2 10. The Parties further stipulate and agree that the Court shall retain
3 jurisdiction over this case and over the Parties for the purposes of enforcing the
4 Judgment if necessary.

5
6 DATED: _____

Egumball, Inc.
By: John Bauer
Its: President

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9 DATED: _____

Russell Wallace

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12 DATED: _____

Tony Redman

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15 DATED: _____

YourLocalMerchant.com, Inc.
By: _____
Its: _____

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1 The Court, having considered the Parties' Stipulated Judgment,

2 **HEREBY ORDERS, ADJUDGES AND DECREES AS FOLLOWS:**

3 1. Wallace, Redman, and YLM, including any of their employees or agents,
4 are hereby permanently enjoined from any of the following:

5 a. Posting or displaying any sequence of four or more consecutive
6 words that match any string of four or more consecutive words on any of plaintiff's
7 websites including Egumball.com and MyServiceProfile.com.

8 b. Copying or reproducing any of the source codes from
9 Egumball.com or MyServiceProfile.com.

10 c. Utilizing any other aspects of defendants' websites that copy or
11 replicate the look and feel of plaintiff's websites.

12 d. Infringing upon the look and feel of any changes or additions to
13 Egumball's websites in the future.

14 e. Posting any online consumer reviews or other similar online
15 content that purports be from or have been written or prepared by an independent
16 consumer, as opposed to an agent acting of behalf of defendants.

17 2. Defendants are ordered to, within thirty days of the date of this Judgment,
18 delete, alter, or rebuild the "terms" pages of its websites, including
19 <http://29prime.com/demo/Terms/> and <http://www.yourlocalmerchant.com/terms.html>
20 to bring them in compliance with the preliminary injunction, and will change its credit
21 card logos to differentiate them from Egumball's.

22 3. Wallace, Redman, and YLM shall not solicit any current Egumball client
23 that is listed on Plaintiff's directory at <http://www.myserviceprofile.com/>. The term
24 "solicit," for purposes of this Judgment, means to intentionally contact, in any way,
25 whether directly, or through an agent, employee, or related entity, any of the
26 Egumball's clients, whether in person, by telephone, facsimile, e-mail, U.S. Mail, or
27 any other form of written or verbal communication, other than advertisements to the
28 general public. Wallace, Redman, and YLM shall take responsibility for and ensure

that their agents and employees are trained with respect to the terms of this paragraph. If accidental contact occurs through “robo calls” or mass e-mail marketing, Wallace, Redman, and YLM shall not further solicit the Egumball client or enter into a contract with the client.

4. This Stipulated Judgment shall be binding as against all defendants, plus Tony Redman, and shall further be binding against any other entities, now in existence or to be formed in the future, owned by Russell Wallace or Tony Redman which compete against Egumball in any way, including the S.E.O. business.

5. This Court shall retain jurisdiction over this case and over the Parties for the purposes of enforcing the Judgment if necessary.

IT IS SO ORDERED.

Dated: January 5, 2011

Otis D Wright
Hon. Otis D. Wright
Judge of the U.S. District Court